

MARCH 2000 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>March 2000</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$34,766,507	\$1,375,494,250
Percent Change	N/A	10.8%
Corporate Income Tax		
Net Collections	\$28,411,494	\$293,248,850
Percent Change	(23.9%)	0.2%
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$233,396,385	\$2,083,725,013
Change	12.2%	10.3%
Total Big Three Tax Types		
Net Collections	\$296,574,386	\$3,752,468,113
Percent Change	25.8%	9.6%

TAX FACTS

March 2000

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	March 2000	March 1999	% Change
Gross Collections	\$28,175,439	\$26,166,622	7.7
Withholding	200,877,280	185,719,485	8.2
Refunds	(162,810,295)	(192,743,839)	(15.5)
Urban Revenue Sharing	(31,475,916)	(28,359,221)	11.0
Net Collections	\$34,766,507	(\$9,216,954)	N/A

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$325,256,297	\$310,087,264	4.9
Withholding	1,695,622,999	1,545,987,379	9.7
Refunds	(362,101,804)	(359,534,926)	0.7
Urban Revenue Sharing	(283,283,242)	(255,232,992)	11.0
Net Collections	\$1,375,494,250	\$1,241,306,726	10.8

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$757 for March and \$12,834 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$2,640 in March and \$25,748 for the fiscal year. In addition to this amount, \$0 available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$660 for the month of March and \$6,609 for the fiscal year.

Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	4,113	335,566	8,087	17,127	7	4,303	164,895	8,170	72,916	615,184
%	0.7	54.5	1.3	2.8	0.0	0.7	26.8	1.3	11.9	

The 615,184 returns filed through March compares to 752,708 returns filed during the same period of time in 1999 for an annual decrease of 18.3%. This count represents multiple tax years. For tax year 1999 filed in 2000, 600,311 returns have been filed, this represents an 18.1% decrease from 1998 returns filed in 1999 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 430,228 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 3.7% growth in FAGI and a 2.3% increase in tax liability. More specifically, 34.4% of these filers experienced a decrease in tax liability; on average a decrease of 28.9% with a corresponding average decrease in FAGI of 14.3%. Filers showing an increase in tax liability totaled 218,220, or 50.7%, with an average FAGI increase of 18.2% and an average tax liability increase of 31.1%.

Average Individual Income Tax Refund

	Average	Number
2000 CYTD	\$481.42	595,155
1999 CYTD	\$470.70	664,576
% Change	2.3%	(10.4%)

"New" Filers in Calendar Year 1999

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 68,651 "new" returns have been filed thus far in 2000, representing approximately 101,238 persons, not including dependents. The average Federal Adjusted Gross Income for these 68,651 returns is \$15,118, with an average tax liability of \$161. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 16.9% had a married filing joint filing status, 4.3% claimed a 65 And Over Exemption and 42.9% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$343.0 million, for an average of \$1,686. A total additional \$57.0 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,715. Estimated payments received during March for tax year 2000 is as follows:

3/00	140ES payment	\$1,199,242	Cumulative	\$1,618,099
3/99	140ES payment	\$1,059,352	Cumulative	\$1,394,486
	Percent change	13.2%		16.0%
3/00	Average payment	\$602	Cumulative	\$671
3/99	Average payment	\$569	Cumulative	\$678
	Percent change	5.8%		(1.0%)
3/00	Applied refund	\$891,982	Cumulative	\$993,720
3/99	Applied refund	\$1,415,359	Cumulative	\$1,517,645
	Percent change	(37.0%)		(34.5%)
Total 3/00		\$2,091,225	Cumulative	\$2,611,818
Total 3/99		\$2,474,711	Cumulative	\$2,912,131
	Percent change	(15.5%)		(10.3%)

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from July 1998 through September 1999, \$447,451,017 was received for the third quarter of 1998. The latest complete quarter (15 months of information has been compiled) is the first quarter of 1999, which shows a growth rate of 6.7% in withholding payments over the first quarter of 1998. Growth in quarters for which information is still being gathered is as follows:

2 nd Quarter 1999	9.7%	4 th Quarter 1999	10.0%
3 rd Quarter 1999	9.1%	1 st Quarter 2000	13.9%

The comparisons made above were against the same number of months of collections in the previous year. In other words, the third month of information available for the first quarter of 2000 was compared against the third month of collections for the first quarter of 1999. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	7,734	\$2,508,177	\$324.31
Calendar Year 1999	11,352	\$3,560,610	\$313.65
% Change	(31.9%)	(29.6%)	3.4%

Contributions on the Individual Income Tax Return

Through March 2000 individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	3,304	\$43,885	\$13.28
Child Abuse	4,083	\$57,271	\$14.03
Special Olympics	1,799	\$21,142	\$11.75
Neighbors Helping	1,000	\$8,789	\$8.79
AID to Education	117	\$6,832	\$58.39
Domestic Violence Shelter	2,715	\$34,439	\$12.68
Clean Election	1,222	\$34,722	\$28.41
Democratic Party	191	\$2,541	\$13.30
Republican Party	129	\$1,785	\$13.84
Libertarian Party	35	902	\$25.77
Reform Party	3	15	\$5.00

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	March 2000	March 1999	% Change
Gross Collections	\$42,028,530	\$43,270,142	(2.9)
Refunds	(\$13,617,036)	(\$5,948,668)	128.9
Net Collections	\$28,411,494	\$37,321,474	(23.9)

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$383,915,452	\$371,974,589	3.2
Refunds	(\$90,666,602)	(\$79,211,552)	14.5
Net Collections	\$293,248,850	\$292,763,038	0.2

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

March 2000	\$31,932,289	Calendar Year Total	\$60,828,162
March 1999	\$33,134,006	Calendar Year Total	\$52,000,211
% Change	(3.6%)	% Change	17.0%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for March 2000 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
Mar 2000	289	33	29	3	3	0	357	5.9
Mar 1999	279	25	29	3	1	0	337	
CY 2000	536	63	57	11	6	0	673	8.2
CY 1999	508	53	49	10	2	0	622	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 98/99, 3.8% of the refund dollars paid were for corporate fiscal years ending in 1994 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	94 & Prior	95	96	97	98	99
FY 98/99	3.8%	2.1%	3.9%	66.5%	23.1%	0.6%

Corporate Fiscal Year-End:	95 & Prior	96	97	98	99	00
FY 99/00	5.4%	1.3%	2.0%	76.8%	14.5%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

March 2000	\$1,207,568	Calendar Year Total	\$4,855,211
March 1999	\$5,062,390	Calendar Year Total	\$11,353,080
% Change	(76.1%)	% Change	(57.2%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4

Through March 2000, 22,437 documents have been received for a fiscal year-end of 1999, distributed as follows:

	<u>120 X (amended)</u>	<u>120 (regular)</u>	<u>120S (S corp)</u>	<u>99T (exempt org.)</u>
#	56	16,062	6,223	96
%	0.2	71.6	27.7	0.4

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through March 1999, the Arizona Department of Revenue received 25,743 documents with a fiscal year-end of 1998. This represents a 12.8% decrease in corporate returns received at this point of time in the calendar year.

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.8% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1999/2000 is based on net income tax collections in Fiscal Year 1997/1998. Amounts returned for March 2000 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<u>March 2000</u>	<u>March 1999</u>	<u>% change</u>
Distribution Base	\$99,202,516	\$89,596,152	10.7
Non shared	182,359,006	165,092,386	10.5
Use Tax	17,085,300	11,743,866	45.5
Other Revenues	36,744,764	32,908,124	11.7
Total Collections	\$335,391,586	\$299,340,528	12.0

	<u>Fiscal Year Total (99/00)</u>	<u>Fiscal Year Total (98/99)</u>	<u>% change</u>
Distribution Base	\$880,293,676	\$798,450,369	10.3
Non shared	1,650,316,231	1,504,900,538	9.7
Use Tax	130,820,126	108,910,628	20.1
Other Revenues	324,048,271	249,389,116	29.9
Total Collections	\$2,985,478,303	\$2,661,650,650	12.2

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	March 2000	March 1999	% change
Retained by State	\$233,396,385	\$207,737,964	12.4
Returned to Counties	40,349,508	36,295,401	11.2
Returned to Cities	24,900,929	22,399,038	11.2
Other	36,744,764	32,908,124	11.7
Total Collections	\$335,391,586	\$299,340,528	12.0

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% change
Retained by State	\$2,083,725,013	\$1,889,196,697	10.3
Returned to Counties	357,240,642	323,452,244	10.4
Returned to Cities	220,464,378	199,612,592	10.4
Other	324,048,271	249,389,116	29.9
Total Collections	\$2,985,478,303	\$2,661,650,650	12.2

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	March 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$247,408	8.9	\$1,636,928	(41.6)
Non-Metal Mining/Oil & Gas	3.125%	(76,240)	N/A	4,415,485	(10.6)
Utilities	5%	18,135,425	1.1	204,470,807	3.0
Communications	5%	10,826,079	18.5	90,691,915	15.5
Railroads/Aircraft	5%	105,462	19.6	1,183,042	(18.2)
Private Car/Pipelines	5%	26,211	(73.8)	130,287	(81.0)
Publishing	5%	394,615	(10.1)	4,093,015	(5.7)
Printing	5%	1,876,671	13.8	15,713,107	2.6
Restaurants/Bars	5%	27,258,363	10.3	216,172,090	9.7
Amusements	5%	4,094,996	11.8	27,738,671	12.9
Commercial Lease	0%	48,248	N/A	10,966,592	N/A
Rental of Personal Property	5%	14,347,570	9.9	125,248,853	7.3
Contracting	3.75% - 5%	43,599,800	10.5	404,856,896	9.7
Feed Wholesale	Repealed	1,051	160.1	1,049	4.5
Retail	5%	147,623,907	12.5	1,341,612,698	11.0
Advertising	0	0	N/A	0	N/A
Mining Severance*	2.5%	762,161	(48.7)	10,439,640	(26.2)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	2,761	28.5	9,705	(71.9)
Hotel/Motel	5.5%	11,720,223	6.6	67,774,325	7.5
Membership Camping	5%	6,176	(9.2)	56,221	(14.9)
Use/Use Inventory	5%	17,085,949	45.5	130,481,444	19.8
Rental Occupancy Tax	3%	13,802	(17.8)	70,676	(19.1)
Jet Fuel Tax	\$.0305/\$.0105 gal	533,115	0.04	3,644,234	8.1
Telecommunications Devices:	1.1				
Telecom. Fund for the	----	418,777	(0.2)	3,678,540	6.4
Poison Control Fund	----	154,890	(0.2)	1,360,556	(4.7)
911 Excise	1.25%	651,832	(7.4)	5,781,086	(4.7)
911 Wireless Service	\$0.10 monthly per activated	170,805	63.1	1,063,354	20.0
Total		\$300,030,057	12.0	\$2,673,291,218	10.3

*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	March 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$4,948,163	8.9	\$32,738,561	(41.6)
Non-Metal Mining/Oil & Gas	(2,439,689)	N/A	141,295,527	(10.6)
Utilities	362,708,492	1.1	4,089,416,144	3.0
Communications	216,521,586	18.5	1,813,838,297	15.5
Railroads/Aircraft	2,109,236	19.6	23,660,839	(18.2)
Private Car/Pipelines	524,229	(73.8)	2,605,741	(81.0)
Publishing	7,892,292	(10.1)	81,860,309	(5.7)
Printing	37,518,016	13.7	314,246,727	2.6
Restaurants/Bars	545,167,257	10.3	4,323,448,850	9.7
Amusements	81,899,917	11.8	554,773,416	12.9
Commercial Lease	3,089,707	N/A	490,998,920	N/A
Rental of Personal Property	286,926,130	9.9	2,504,951,777	7.3
Contracting	871,995,993	10.5	8,098,515,288	9.7
Feed Wholesale	224,096	160.1	223,723	4.5
Retail	2,950,968,321	12.5	26,830,751,597	11.0
Advertising	0	N/A	0	N/A
Mining Severance*	30,486,451	(48.7)	417,585,611	(26.2)
Timber Severance	0	0.0	0	0.0
Hotel/Motel	213,094,972	6.6	1,232,260,463	7.5
Membership Camping	123,522	(9.2)	1,124,422	(14.9)
Use/Use Inventory	340,304,211	47.5	2,598,269,253	19.7
Rental Occupancy Tax	460,060	(17.8)	2,400,864	(17.6)
Total	\$5,954,522,962	12.7	\$53,554,966,326	10.9

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In March 2000, 19,824,307 gallons of jet fuel were taxed, an 18.3% decrease from the 24,269,132 reported for March 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in March 2000 was \$1,665,460 a 11.8% increase from the \$1,490,221 claimed in March 1999. Accounting credits claimed-to-date in FY 99/00 equals \$11,481,898 a 13.9% increase from the \$10,083,108 claimed during the same period in FY 98/99.

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

*Beginning with December 1999, the mining severance tax base has changed.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code Range</u>	<u>Description</u>	<u>March 2000</u>	<u>March 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$159,185,278	\$145,364,520	9.5
5311-5399	general merchandise stores	285,391,005	264,954,323	7.7
5411-5499	food stores (no food sales)	243,155,748	226,892,791	7.2
5511-5521	motor vehicle dealers	555,680,257	451,680,850	23.0
5531-5599	misc. automotive, motorcycle & boat stores	150,360,877	146,776,192	2.4
5611-5699	apparel & accessory stores	164,351,768	159,082,061	3.3
5712-5733	furniture, home furnishings & equipment stores	170,441,193	149,331,710	14.1
5912-5949	misc. retail stores	217,826,239	199,205,593	9.3
	TOTAL	\$2,952,478,137	\$2,623,876,470	12.5

<u>SIC Code Range</u>	<u>Description</u>	<u>FY 2000</u>	<u>FY 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,432,136,887	\$1,296,925,661	10.4
5311-5399	general merchandise stores	2,814,667,623	2,702,386,966	4.2
5411-5499	food stores (no food sales)	2,185,139,653	2,044,603,845	6.9
5511-5521	motor vehicle dealers	4,671,241,508	3,947,681,604	18.3
5531-5599	misc. automotive, motorcycle & boat stores	1,351,256,504	1,247,831,898	8.3
5611-5699	apparel & accessory stores	1,603,595,752	1,556,946,862	3.0
5712-5733	furniture, home furnishings & equipment stores	1,498,194,105	1,345,360,614	11.4
5912-5949	misc. retail stores	2,011,440,793	1,826,214,454	10.1
	TOTAL	\$26,832,253,961	\$24,172,085,020	11.0

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for March 2000 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$196,360	\$324,757	0.8	\$4,051,485	54.3
Cochise	1,397,833	776,842	1.9	6,797,132	10.6
Coconino	2,134,628	1,042,618	2.6	10,292,479	9.5
Gila	539,054	305,566	0.8	2,921,615	(3.2)
Graham	328,950	198,148	0.5	1,776,070	7.0
Greenlee	618,217	248,742	0.6	2,358,118	(2.7)
La Paz	356,921	145,868	0.4	1,103,775	4.6
Maricopa	67,770,551	25,724,313	63.8	225,017,992	10.8
Mohave	2,223,209	1,062,828	2.6	9,524,775	6.8
Navajo	1,144,117	596,341	1.5	5,793,214	8.9
Pima	15,428,244	6,429,617	15.9	56,249,222	9.5
Pinal	1,554,665	928,818	2.3	8,589,026	6.3
Santa Cruz	584,916	268,527	0.7	2,341,493	7.2
Yavapai	2,581,040	1,293,458	3.2	11,987,272	15.2
Yuma	2,343,812	1,003,065	2.5	8,436,975	9.0
Total	\$99,202,516	\$40,349,508		\$357,240,642	10.4%

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for March 2000 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during March 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax
Apache		\$60,376					
Cochise		\$414,575					
Coconino		\$608,947	\$362,236				
Gila	\$189,454	\$186,285					
Graham		\$95,528					
Greenlee		\$47,910					
La Paz		\$95,676	\$96,265				
Maricopa	\$20,775,882		\$7,678,578	\$532,763	\$7,886		
Mohave		\$312,609					
Navajo		\$308,840					
Pima				\$143,799		\$27,788	
Pinal	\$542,710	\$491,476					
Santa Cruz		\$166,429					
Yavapai		\$749,325					
Yuma		\$663,701	\$663,172				

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in February 2000. The table compares the receipts to March 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	March 2000	March 1999	% Change
Spirituos	\$1,710,984	\$1,454,567	17.6
Vinous	612,182	522,683	17.1
Malt	1,728,297	1,690,476	2.2
Cigarette	10,818,780	12,229,001	(11.5)
Other Tobacco	300,438	267,834	12.2
Tobacco	125	250	(50.0)
Licenses			
Total	\$15,170,806	\$16,164,811	(6.1)

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Spirituos	\$15,377,677	\$14,436,832	6.5
Vinous	6,904,624	5,864,860	17.7
Malt	15,677,110	15,045,032	4.2
Cigarette*	115,169,163	120,183,287	(4.2)
Other Tobacco	2,740,933	2,566,492	6.8
Tobacco	6,875	6,675	3.0
Licenses			
Total	\$155,876,382	\$158,103,178	(1.4)

*In July, 1999, \$380,000 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	March 2000	FY (99/00)
Spirituos	\$1,197,689	\$10,764,374
Vinous	151,799	1,722,121
Malt	432,074	3,919,276
Cigarette	2,957,778	31,677,078
Other Tobacco	46,568	424,845
Tobacco	125	6,875
Licenses		
Total	\$4,786,033	\$48,514,568

Other dedicated revenues from luxury taxes:

	March 2000	FY (99/00)
Correction Fund revenues	\$1,926,234	\$18,742,809
Health Care Fund revenues	7,698,583	81,423,700
Wine Promotional Fund revenues	4,985	16,139
Drug Treatment & Education Fund revenues	540,158	5,138,245
Corrections Revolving Fund revenues	214,814	2,040,922

Estate Tax

	March 2000	\$17,616,556	Fiscal year To Date	\$64,194,984
	March 1999	<u>\$16,194,661</u>	Fiscal year To Date	<u>\$68,639,259</u>
% Change		8.8%	% Change	(6.5%)

Private Car

	March 2000	\$0	Fiscal year To Date	\$1,476,728
	March 1999	<u>\$3,146</u>	Fiscal year To Date	<u>\$1,441,401</u>
% Change		N/A	% Change	2.5%

Bingo

	March 2000	\$36,752	Fiscal year To Date	\$491,316
	March 1999	<u>\$38,297</u>	Fiscal year To Date	<u>\$523,318</u>
% Change		4.0%	% Change	6.1%

Unclaimed Property

	March 2000	\$691220	Fiscal year To Date	\$17,241,337
	March 1999	<u>(\$629110)</u>	Fiscal year To Date	<u>\$10,464,266</u>
% Change		N/A	% Change	64.8%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2000 for Tax Year 1999
Through March 2000

Federal Adjusted Gross Income Bracket	Number of Returns	% of total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	135	0.2%	-\$14,595	\$9	24.7%	64.7%	8.0%	2.7%	24.0%	14.0%
\$0-\$5,000	13,943	20.3%	\$2,884	\$0	3.2%	83.1%	13.1%	0.5%	2.1%	17.5%
\$5,000-\$10,000	19,176	27.9%	\$7,468	\$22	7.8%	61.4%	30.0%	0.8%	4.5%	38.8%
\$10,000-\$15,000	12,161	17.7%	\$12,388	\$38	18.3%	34.3%	46.5%	0.9%	6.2%	59.8%
\$15,000-\$20,000	8,462	12.3%	\$17,294	\$98	25.2%	28.9%	44.7%	1.2%	6.3%	63.5%
\$20,000-\$25,000	4,524	6.6%	\$22,305	\$211	30.0%	31.9%	36.2%	1.9%	3.8%	61.2%
\$25,000-\$30,000	2,799	4.1%	\$27,344	\$352	31.6%	34.5%	31.1%	2.8%	3.0%	56.2%
\$30,000-\$40,000	3,099	4.5%	\$34,378	\$534	37.9%	35.5%	24.0%	2.6%	4.4%	51.0%
\$40,000-\$50,000	1,672	2.4%	\$44,573	\$785	51.3%	28.0%	19.2%	1.5%	4.5%	53.2%
\$50,000-\$75,000	1,870	2.7%	\$59,895	\$1,173	68.9%	18.4%	11.5%	1.2%	4.3%	54.0%
\$75,000-\$100,000	509	0.7%	\$85,256	\$1,889	78.6%	14.3%	6.3%	0.8%	6.9%	50.8%
\$100,000-\$200,000	273	0.4%	\$128,004	\$3,385	81.0%	13.5%	5.1%	0.4%	6.9%	49.3%
\$200,000-\$500,000	28	0.0%	\$279,577	\$9,094	64.3%	28.6%	7.1%	0.0%	3.6%	46.4%
\$500,000-\$1,000,000	*	*	*	*	*	*	*	*	*	*
\$1,000,000 and over	*	*	*	*	*	*	*	*	*	*
Total	68,651		\$15,118	\$161	16.9%	52.7%	29.4%	1.0%	4.3%	42.9%

NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998

Total	228,194		\$17,402	\$289	18.4%	59.3%	19.8%	2.5%	7.4%	32.4%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

*Information cannot be released due to confidentiality laws.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
March 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,552,938	168,176
Eagar	\$41,692	4,515	Surprise	99,145	10,737
Springerville	17,729	1,920	Tempe	1,420,383	153,821
St. Johns	31,026	3,360	Tolleson	40,962	4,436
<u>Cochise County</u>			Wickenburg	44,000	4,765
Benson	\$37,998	4,115	Youngtown	24,876	2,694
Bisbee	60,021	6,500	<u>Mohave County</u>		
Douglas	136,479	14,780	Bullhead City	\$248,764	26,940
Huachuca City	17,914	1,940	Colorado City	29,456	3,190
Sierra Vista	349,184	37,815	Kingman	154,845	16,769
Tombstone	12,974	1,405	Lake Havasu City	335,056	36,285
Willcox	32,624	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$46,816	5,070
Flagstaff	\$503,068	54,480	Pinetop-Lakeside	30,481	3,301
Fredonia	11,543	1,250	Show Low	64,527	6,988
Page	73,410	7,950	Snowflake	38,044	4,120
Williams	24,839	2,690	Taylor	24,516	2,655
<u>Gila County</u>			Winslow	99,543	10,780
Globe	\$65,174	7,058	<u>Pima County</u>		
Hayden	8,403	910	Marana	\$56,457	6,114
Miami	18,837	2,040	Oro Valley	181,513	19,657
Payson	101,611	11,004	Sahuarita	21,340	2,311
Winkelman	6,242	676	South Tucson	50,344	5,452
<u>Graham County</u>			Tucson	4,098,263	443,823
Pima	\$17,083	1,850	<u>Pinal County</u>		
Safford	81,010	8,773	Apache Junction	\$180,294	19,525
Thatcher	36,539	3,957	Casa Grande	192,806	20,880
<u>Greenlee County</u>			Coolidge	65,146	7,055
Clifton	\$27,656	2,995	Eloy	82,321	8,915
Duncan	6,787	735	Florence	105,175	11,390
<u>La Paz County</u>			Kearny	22,669	2,455
Parker	\$27,240	2,950	Mammoth	18,099	1,960
Quartzsite	18,514	2,005	Superior	32,181	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$210,267	22,771	Nogales	\$190,728	20,655
Buckeye	44,850	4,857	Patagonia	8,726	945
Carefree	21,109	2,286	<u>Yavapai County</u>		
Cave Creek	28,404	3,076	Camp Verde	\$68,932	7,465
Chandler	1,222,213	132,360	Chino Valley	57,971	6,278
El Mirage	53,012	5,741	Clarkdale	24,008	2,600
Fountain Hills	130,624	14,146	Cottonwood	60,437	6,545
Gila Bend	16,132	1,747	Jerome	4,248	460
Gilbert	547,927	59,338	Prescott	287,048	31,086
Glendale	1,686,267	182,615	Prescott Valley	148,141	16,043
Goodyear	85,415	9,250	Sedona	82,127	8,894
Guadalupe	50,399	5,458	<u>Yuma County</u>		
Litchfield Park	34,526	3,739	San Luis	\$74,112	8,026
Mesa	3,122,173	338,117	Somerton	53,779	5,824
Paradise Valley	114,945	12,448	Wellton	10,397	1,126

Peoria	688,533	74,565	Yuma	579,821	62,792
Phoenix	10,613,719	1,149,417			
Queen Creek	28,367	3,072	TOTAL	\$31,475,916	3,408,697

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
March 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,228,545	168,176
Eagar	\$32,983	4,515	Surprise	78,435	10,737
Springerville	14,026	1,920	Tempe	1,123,680	153,821
St. Johns	24,545	3,360	Tolleson	32,406	4,436
<u>Cochise County</u>			Wickenburg	34,809	4,765
Benson	\$30,061	4,115	Youngtown	19,680	2,694
Bisbee	47,483	6,500	<u>Mohave County</u>		
Douglas	107,970	14,780	Bullhead City	\$196,800	26,940
Huachuca City	14,172	1,940	Colorado City	23,303	3,190
Sierra Vista	276,243	37,815	Kingman	122,500	16,769
Tombstone	10,264	1,405	Lake Havasu City	265,066	36,285
Willcox	25,809	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$37,037	5,070
Flagstaff	\$397,983	54,480	Pinetop/Lakeside	24,114	3,301
Fredonia	9,131	1,250	Show Low	51,048	6,988
Page	58,076	7,950	Snowflake	30,097	4,120
Williams	19,651	2,690	Taylor	19,395	2,655
<u>Gila County</u>			Winslow	78,749	10,780
Globe	\$51,560	7,058	<u>Pima County</u>		
Hayden	6,648	910	Marana	\$44,663	6,114
Miami	14,902	2,040	Oro Valley	143,597	19,657
Payson	80,386	11,004	Sahuarita	16,882	2,311
Winkelman	4,938	676	South Tucson	39,828	5,452
<u>Graham County</u>			Tucson	3,242,179	443,823
Pima	\$13,514	1,850	<u>Pinal County</u>		
Safford	64,088	8,773	Apache Junction	\$142,632	19,525
Thatcher	28,906	3,957	Casa Grande	152,531	20,880
<u>Greenlee County</u>			Coolidge	51,538	7,055
Clifton	\$21,879	2,995	Eloy	65,125	8,915
Duncan	5,369	735	Florence	83,205	11,390
<u>La Paz County</u>			Kearny	17,934	2,455
Parker	\$21,550	2,950	Mammoth	14,318	1,960
Quartzsite	14,647	2,005	Superior	25,458	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$166,345	22,771	Nogales	\$150,887	20,655
Buckeye	35,481	4,857	Patagonia	6,903	945
Carefree	16,700	2,286	<u>Yavapai County</u>		
Cave Creek	22,471	3,076	Camp Verde	\$54,533	7,465
Chandler	966,905	132,360	Chino Valley	45,862	6,278
El Mirage	41,939	5,741	Clarkdale	18,993	2,600
Fountain Hills	103,338	14,146	Cottonwood	47,812	6,545
Gila Bend	12,762	1,747	Jerome	3,360	460
Gilbert	433,471	59,338	Prescott	227,087	31,086
Glendale	1,334,024	182,615	Prescott Valley	117,196	16,043
Goodyear	67,572	9,250	Sedona	64,972	8,894
Guadalupe	39,871	5,458	<u>Yuma County</u>		
Litchfield Park	27,314	3,739	San Luis	\$58,631	8,026
Mesa	2,469,984	338,117	Somerton	42,545	5,824
Paradise Valley	90,934	12,448	Wellton	8,226	1,126
Peoria	544,706	74,565	Yuma	458,703	62,792

Phoenix	8,396,625	1,149,417		
Queen Creek	22,441	3,072	TOTAL	
				\$24,900,929
				3,408,697

*The Office of Economic Research & Analysis
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